REMARKS

Claim Rejections

In the Office Action, the Examiner rejected Claims 1-9 under 35 U.S.C. § 102(b), as being anticipated by Hudda et al. (US 2001/0049636 A1). Claims 10-12 are rejected under U.S.C. 103(a) as being unpatentable over Hudda in view of Khan (US 2001/0056395 A1).

Drawings

It is noted that the Examiner has accepted the drawings as originally filed with this application.

Claim Amendments

By this Amendment, Applicant has amended claims 1, 3-10, and 12 of this application to overcome the Examiner's rejections under 35 U.S.C. § 112, second paragraph, as well as to better protect what Applicant regards as the invention. It is believed that the amended claims specifically set forth each element of Applicant's invention in full compliance with 35 U.S.C. § 112, and define subject matter that is patentably distinguishable over the cited prior art, taken individually or in combination.

Before discussing the prior art relied upon by the Examiner, it is believed beneficial to first briefly review the method of the present invention, as now claimed. The claimed method is directed to a method for purchasing with price negotiation for facilitating a real-time purchase transaction. Firstly, the method includes selecting a product to buy; choosing one of the multiple product price negotiation modes provided by a purchase system; initiating the price negotiation process with the price negotiation mode selected; determining whether or not the product price given by using the chosen negotiation mode is acceptable; and, if the price is not acceptable, choosing another price negotiation mode, which is also one of the multiple negotiation modes provided by the purchase system and has not been used to negotiate in the current purchase procedure yet, then returning to the step of initiating the price negotiation process. Finally, after the price negotiation process using those

chosen negotiation modes are all completed, the method includes deciding to select one solution within the group consisting of reaching a deal and abandoning a deal.

Particularly, the step of choosing another negotiation mode provides multiple chances for buyers to negotiating for each product before all the modes are used. If the system provides 4 kinds of negotiation modes, such as negotiating based on quantity, bundle, user credit or immediate quoted purchase price, each product always has 4 chances to bargain with the system in one purchase cycle, no matter which mode is first.

This method of providing a "cycle" of negotiation chances is what the primary citation case, Hudda et al., fails to teach. Although Hudda teaches providing various services for wireless purchasing, including several ways of price negotiation, it teaches only the possible ways that the buyers could use to bargain. However, in the present invention, the method allows the buyers to go through all the negotiation modes provided by the system before the buyer finally makes his decision, unless the buyer reaches a deal before all the available negotiating modes are employed.

Furthermore, in comparison to Hudda, Applicant's method ***automatically provides different negotiation modes*** that have not yet been used in a purchase process. In Hudda, the ***buyers*** select the shopping services desired, and the ***buyers*** also decide to choose a negotiating mode(s) to continue a purchase process. (*See*, Hudda: [0080], [0104], Fig. 3, etc.). In other words, the cited reference lets buyers decide if they want to start a price negotiation, and also let buyers decide if they want to try another negotiation mode after the previous negotiation fails, while the current application ***automatically provides all the negotiation modes it can provide***, thereby increasing the chances/rate of reaching deals with buyers. It is clear that automatically providing different negotiation options from the seller's side for buyers to choose from can always encourage more successful deals than allowing buyers sole control of whether or not to try another negotiation mode, i.e., buyers may just quit the purchase if they are not satisfied with one particular negotiation mode.

It is axiomatic in U.S. patent law that, in order for a reference to anticipate a claimed structure, it must clearly disclose each and every feature of the claimed structure. Applicant submits that it is abundantly clear, as discussed above, that

Hudda does not disclose each and every feature of Applicant's amended claims and, therefore, could not possibly anticipate these claims under 35 U.S.C. § 102. Absent a specific showing of these features, Hudda cannot be said to anticipate any of Applicant's amended claims under 35 U.S.C. § 102.

The Examiner cites Khan as teaching gathering and accumulating points, an admitted deficiency of Hudda. The Khan reference is directed to a customer loyalty system by gaining points that encourages customers to repeatedly purchase products. However, Khan still fails to provide the above-noted deficiency of Hudda. Specifically, Khan does not teach automatically providing another negotiation mode from multiple available modes until all modes have been offered to the buyer. Thus, the combination of Hudda with Khan still fails to teach all of the limitations recited in Claim 10-12.

It follows that even if the teachings of Hudda and Khan were combined, as suggested by the Examiner, the resultant combination does not teach or suggest: a purchase method with price negotiation for facilitating a real-time purchase transaction in a system providing a user with real-time price inquiry and price negotiation to facilitate a purchase transaction through a computer program and a database, said method comprising the steps of: (a) selecting a product to buy; (b) choosing one of the multiple price negotiation modes provided by the system; (c) initiating the price negotiation with the price negotiation mode chosen; (d) determining whether or not the product price is acceptable; (e) if the product price is not acceptable and at least one of the price negotiation modes provided by the system has not been chosen yet, choosing one of the price negotiation modes not chosen, and returning to step (c); and (f) deciding on an action, to reach or to abandon a deal after the price negotiation proceeded from the price negotiation modes been chosen is completed, the action selected from the group consisting of reaching a deal and abandoning a deal.

In considering the above, the Examiner is respectfully reminded that, it is a basic principle of U.S. patent law that it is improper to arbitrarily pick and choose prior art patents and combine selected portions of the selected patents on the basis of Applicant's disclosure to create a hypothetical combination which allegedly renders a claim obvious. Instead, the Supreme Court, in *KSR International Co. v.Teleflex*,

550 U.S. ___, 127 S. Ct. 1727 (2007), the Court stated on p. 14 of the published opinion that:

> Often, it will be necessary for a court to look to interrelated teachings of multiple patents; the effects of demands known to the design community or present in the marketplace; and the background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue. To facilitate review, this analysis should be made explicit. See In re Kahn, 441 F. 3d 977, 988 (CA Fed. 2006) ("[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness").

Applicant submits that the above-presented arguments clearly indicate that the Examiner has failed to provide an "articulated reasoning with some rational underpinning to support the legal conclusion of obviousness" for combining selected elements of Hudda with selected elements of Khan. *KSR*, 550 U.S. ___, 127 S. Ct. 1727 (2007)(p. 14 of published opinion). Clearly, such a combination is not an acceptable combination under 35 U.S.C. §103. The rejections of Applicant's claims as being rendered by the aforementioned combinations of references under 35 U.S.C. §103 is respectfully traversed.

Summary

In view of the foregoing amendments and remarks, Applicant submits that this application is now in condition for allowance and such action is respectfully requested. Should any points remain in issue, which the Examiner feels could best be resolved by either a personal or a telephone interview, it is urged that Applicant's local attorney be contacted at the exchange listed below.

Respectfully submitted,

Date: July 21, 2008 By: 

Demian K. Jackson
Reg. No. 57,551

TROXELL LAW OFFICE PLLC
5205 Leesburg Pike, Suite 1404
Falls Church, Virginia 22041
Telephone: 703 575-2711
Telefax: 703 575-2707

CUSTOMER NUMBER: 40144